U.S. Department of Homeland Security

United States Coast Guard

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16211
06-253
June 14, 2006

Mr. Richard R. Hoffmann
Director, Division of Gas - Environment and Engineering
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Mr. Hoffmann,

Based on a joint review conducted by FERC and Coast Guard staff of the information provided at the scheduled Cryogenic Design Technical Conference for the proposed Broadwater Energy project that was held in Port Jefferson, NY on June 6, 2006, as well as our subsequent discussions, I have determined that the completion of the Waterways Suitability Report (WSR) requires information related to the design of the yoke mooring system. Although the information needed to complete the WSR was requested in a letter dated May 5, 2006 from FERC to Broadwater Energy, it has not yet been provided. In addition, the Coast Guard Marine Safety Center requires information in order to conduct design and engineering review of the proposed FSRU and yoke mooring system on behalf of FERC. The information needed by the Marine Safety Center was also included in the data request dated May 5, 2006.

The specific information needed to complete the WSR is related to the load and survivability analysis of the yoke mooring system based on an allision with the FSRU, mooring jacket or yoke structure by a bulk carrier or tanker displacing 90,000 deadweight tons. Although this is a low probability event, insofar as the proposed location of the FSRU is in close proximity to a thoroughfare used by the largest vessels that transit Long Island Sound, such an allision is a credible event with potentially high consequences. Therefore, in order to fulfill my responsibilities under paragraph 5.a(14) of Navigation and Vessel Inspection Circular 5-05 to address all credible scenarios, the WSR must include an assessment of the load and survivability analysis as requested in question C.13 of the May 5, 2006 data request. A related issue, which was raised in question C.11 of this same data request, is the extent to which the proposed design of the yoke mooring system includes all possible redundancies, including the potential use of emergency anchors.

As stated above, in order for the Marine Safety Center to conduct a design and engineering review of the FSRU and the yoke mooring system on behalf of FERC, a process for selecting appropriate design and construction standards must be established. As was pointed out in question A.1 of the data request dated May 5, 2006, this process must document how the relative stringency of different standards would be established when multiple standards apply. It should also delineate the role of the third party, as well as the procedure for obtaining FERC or Coast Guard approval for the use of specific standards.

As we have discussed, it is my understanding that the information required to complete the WSR, as well as the information required for the joint Coast Guard and FERC design and engineering review, will be incorporated into an information request that FERC will send to Broadwater Energy.

Any questions regarding this matter should be addressed to Lieutenant Commander Alan Blume of my staff at the above phone number or e-mail address, or Lieutenant Brian Thomas of the Marine Safety Center at (202) 475-3387. You may contact me directly at (202) 468-4570.

Sincerely,

PETER J. BOYNTON
Captain, U.S. Coast Guard
Captain of the Port, Long Island Sound

Copy: Mr. Stephen Marr, Broadwater Energy
Commandant (G-PSO), U.S. Coast Guard
Commander (p), First Coast Guard District
Commanding Officer, U.S. Coast Guard Marine Safety Center
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